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## GREEN ECONOMY DEVELOPMENT AND IMPLEMENTATION TO SUPPORT SUSTAINABLE DEVELOPMENT

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### Abstract

*Green Economy Development and Implementation in support of sustainable development. Articles using literature study can be interpreted as a series of activities related to methods of collecting library data, reading, taking notes, and processing research materials. The strategy towards a green economy is carried out through three channels, namely: (i) integral adoption of economic, social and environmental considerations in the planning and implementation of development in various sectors and regions; (ii) environmental quality is maintained as indicated by an improvement in the environmental quality index; and (iii) maintenance of an environmental quality index that is agreed upon, compiled and used as a tool to measure sustainable development.*

**Keywords:** *Development, Implementation, Green Economy*

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### INTRODUCTION

In 2020, which was the first year of COVID-19, the global economy shrank by around 3 percent and global poverty increased (IMF, 2021). The economic impact of the pandemic will be more persistent and more severe for developing countries. After the fall in per capita income worldwide in 2020, about 40 percent of developed countries recovered and exceeded output levels in 2021 (IMF, 2021). To achieve a "fair recovery" that includes the poor, women and small businesses to be able to recover from the loss of jobs, income, human capital and assets requires the application of appropriate policies. COVID-19 has widened inequality around the world.

The United Nations Environment Program (UNEP; United Nations Environment Program) in its report entitled Towards Green Economy states that a green economy is an economy capable of increasing welfare and social justice. With a green economy there is hope to eliminate the negative impact of economic growth on the environment and scarcity of natural resources. Green economy itself is part of sustainable development or sustainable development. Sustainable development is something that is really needed, this is due to the frequent occurrence of an

imbalance between economic utilization and environmental preservation which is also accompanied by various kinds of natural resource problems.

The importance of maintaining a sustainable economic climate for the well-being of the Indonesian people for the present and future generations with the main focus on economic activities that produce products and create jobs needs to be the focus of policy makers. Thus the green economy concept is needed in order to support the welfare and justice of domestic market players so that they are given the opportunity to develop.

The Indonesian government has established a green economy as one of its economic transformation strategies. This strategy seeks to create a sustainable economy by maintaining the balance of nature. The green economy is also seen as a solution to an exploitative economic system that has so far tended to damage the environment towards an economy that is low in carbon, saves resources and mitigates climate change to achieve poverty reduction, social inclusion and sustainable environmental sustainability. The climate change handling program has been included in the National Medium-Term Development Plan (RPJM). Entering the new Millennium, development not only tells how successful development can work but also tells how failure of development takes place. News about poverty, inequality, and ecological damage is an indication of a failure of development.

The development paradigm is often only measured by economic improvement without looking at other aspects of development, such as welfare development, environment-based development, and just development. Development in Indonesia itself is based on the spirit of the constitution and the ideals of the nation's founders. The philosophy of Indonesian development is contained in the 1945 Constitution, both in content and body. In the fourth paragraph of the 1945 Constitution it is stated that the Republic of Indonesia aims to protect the entire Indonesian nation and all of Indonesia's bloodshed and to advance public welfare, educate the nation's life (Siahaan, 2007 in Ermawanto, 2010 p. 4) when viewed from the opening of the fourth paragraph of the 1945 Constitution occurs contradictory between goals and implementation, development in Indonesia is still based on economic development and infrastructure development in a centralized manner, thus encouraging development inequality and disparities emerging from one region to another. These gaps can increase poverty, inadequate educational facilities, and access to poor quality health.

## **METHOD**

This type of research is Qualitative by using Literature or Literature Study Exploration. Literature study can be interpreted as a series of activities related to library data collection methods, reading, recording, and processing research materials (Zed, 2003). Literature studies can also study various reference books and similar previous research results so that they can be used to obtain a theoretical basis for the problem to be studied (Sarwono, 2006). The Literature Exploration Method presents a theory related to the Development and Implementation of the Green Economy in Sustainable Development.

The data collection technique in this study is documentation, namely finding data about things or variables in the form of notes, books, papers or articles, journals and so on (Arikunto, 2013). After all the data has been collected, the next step is for the writer to analyze the data so that a conclusion can be drawn.

## **RESULTS AND DISCUSSION**

### ***Green Economy Concept with Sustainable Development***

The UN Environment Program (UNEP; United Nations Environment Programme) in its report entitled Towards Green Economy states, a green economy is an economy that is capable of increasing welfare and social justice. The green economy seeks to eliminate the negative impact of economic growth on the environment and the scarcity of natural resources. The concept of green economy complements the concept of sustainable development. As is well known, the main principle of sustainable development is "meeting the needs of the present without compromising meeting the needs of future generations". So it can be said that the green economy is the main engine of sustainable development.

Green economy is a form of economy that does not only focus on meeting people's needs but also emphasizes its impact on the environment (Wu, et al., 2020). An example is the use of electric motors which are currently being encouraged because they can be a substitute for conventional motors with the aim of reducing pollution in Indonesia. In this case, it can be seen that electric motorbikes not only meet the needs of society but also meet the needs of a better environment considering that Indonesia is the highest polluter in Southeast Asia.

Sustainable development is development that is based on sustainable economic, social and environmental development (WCED, 1987). Economic and social development are compatible with each other. Economic growth can support social development. Economic development, for example, can reduce poverty, although it really depends on the level of inequality that exists. Likewise the results of social development, such as improving the level of health, education and equal rights will be able to support economic growth and environmental sustainability.

However, this is not the case with the link between economic development and environmental sustainability. Economic development still often threatens environmental sustainability. This condition ultimately encourages the emergence of the concept of green economy, green growth and green development. The concepts of green economy, green growth and green development are basically meant to operationalize the interrelationships of the economic, social and environmental pillars in the context of sustainable development.

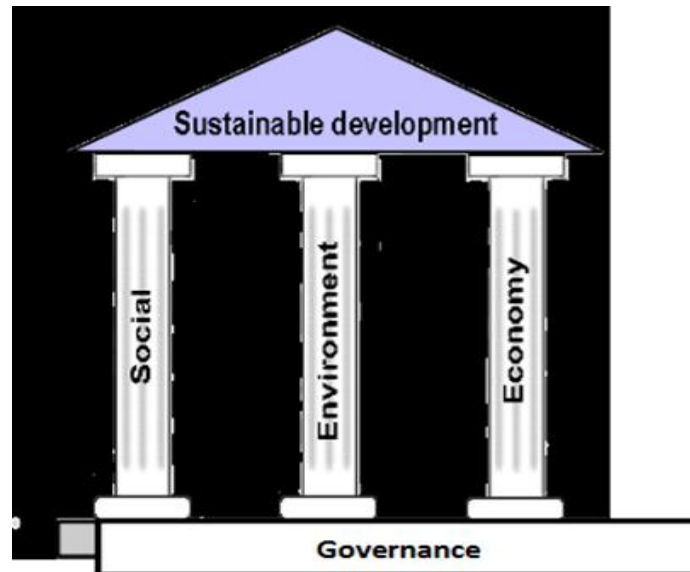


Figure 1. Three Pillars of Sustainable Development

A green economy is conceptually very different from sustainable development. A green economy is not intended to replace sustainable development, although it is realized that achieving sustainability is highly dependent on proper economic development. There is now ample evidence showing that implementing a massive green economy transition will not hinder the creation of wealth or employment (UNEP, 2011a). This is because the green economy operates in relation to social aspects that are in the natural environment so that economic development is not possible to be developed beyond the capacity of natural systems (Cato, 2009).

The concept of green growth is closely related to sustainable development, but has a greater emphasis on economic growth and utilization of natural resources and pursuing environmental sustainability, for example climate change mitigation which is perceived as a major challenge to sustainable growth in the long term (Bowen, 2012). Inclusive green growth is a pathway to sustainable development.

Sustainable development provides a context for green growth. Green growth is a subset or part of sustainable development. The scope of green growth is narrower covering the operational policy agenda so that it can help to achieve concrete and measurable progress related to the economy and the environment (OECD, 2011).

Green development is in principle the same as sustainable development, namely the sustainability of economic, social and environmental development. However, according to Adams (2009) green development focuses on increasing human capacity so that life is sustainable. This is important because culture, society, economy and the environment interact in a complex and dynamic way, always changing, sometimes fast and sometimes slow. If humans individually lack the capacity to respond and adapt to changes in complex interactions effectively, then their lives may not continue.

### ***Development and Implementation of Green Economy***

Sustainable development is a development process that optimizes the benefits of natural resources and human resources, by harmonizing natural resources with humans in development. Sustainable development according to UNEP has 3 main pillars, namely social pillars or dimensions, economic pillars and environmental pillars. The aim of development is to improve the welfare of the community so that development must be based on the concept of sustainable development, namely development which has the principle of meeting present needs without compromising meeting the needs of future generations. This term was introduced for the first time in the World Conservation Strategy published by UNEP, the International Union For Conservation of Nature and Natural Resources (IUCN), and the World Wide Fund for Nature (WWF) in 1980.

Sustainable development which in the document *Our Common Future* published in 1987 is defined as: "development that can meet the needs of the present generation without compromising the ability of future generations to meet their needs". In the framework (pillars and components) of sustainable development, it needs to be supported by the pillars of governance. Ordinary governance does not provide space for the formation of sustainable development, so it does not facilitate the internalization and integration of the implementation of the 3 pillars of sustainable development.

The existence of a clash of 2 (two) major interests, namely economic utilization and the interests of environmental preservation, has become quite a dilemma for the Indonesian people. The problem with Indonesia's natural resources is not only about the depletion of natural resources for economic purposes, but also the declining ability of the environment to neutralize pollutant substances. Indonesia's current condition, where:

1. About 26% of Indonesia's GDP comes from the management of natural resources, such as agriculture, forestry, mining, energy and fisheries
2. Most of the labor force (almost 40%) work in the natural resource management sector
3. The development approach that still does not pay attention to sustainability aspects, causes a decrease in the availability of natural resources as well as the carrying capacity and capacity of the environment and
4. With a population of approximately 237 million people with an average growth rate of 1.4% per year, it is necessary to implement real sustainable development in future planning to overcome poverty problems, anticipate water, food and energy crises, and achieve sustainable development goals (Alisjahbana, 2012).

The long-term development vision stated in Law no. 17 of 2005 concerning the 2005–2025 National Long-Term Development Plan (RPJPN) is to achieve an Indonesia that is independent, advanced, just and prosperous. In an effort to achieve this long-term vision, Indonesia together with the entire world community is currently facing a very serious challenge, namely the decline in the quality of natural resources and the capacity of the environment whose intensity is getting higher.

This implies the need for development management in a more planned, integrated, decentralized and participatory manner by taking into account various development issues, including to mainstream the concept of sustainable development. In addition, good environmental governance, accompanied by increasing public awareness and behavior, is an important key in implementing sustainable development.

Sustainable development is listed as one of the long-term development missions in the 2005-2025 RPJPN, specifically the 6th vision of Beautiful Indonesia and Sustainable Development through:

1. Improving management, implementation of development that can maintain a balance between utilization, sustainability.
2. Existence and utilization of environmental natural resources while maintaining function, carrying capacity, and comfort in present and future life through harmonious use of space between utilization for settlements, socio-economic activities, and conservation efforts, as well as increased utilization economical. natural resources and the environment in a sustainable manner.
3. Improving the management of natural resources and the environment to improve the quality of life, provide beauty and comfort, and increase the conservation and utilization of biodiversity as the basic capital of development.

The Indonesian government continues to develop standards, indicators, manuals and policy frameworks to support the implementation of sustainable development. In 1997, Indonesia has drawn up a National Sustainable Development Strategy (Agenda 21) which contains recommendations for sector managers in implementing the principles of sustainable development until 2020. In addition, it has also been determined that sustainable development is one of the strategic issues that must be prioritized in the 2010 RPJMN -2014 and the Government Work Plan (RKP) every year. Thus, it is expected to be able to:

1. Integrately adopt economic, social and environmental considerations in the planning and implementation of development in various sectors and regions
2. The quality of the environment is maintained as indicated by the improvement in the index of environmental quality; And
3. An environmental quality index is maintained which is agreed upon, compiled and used as a tool to measure sustainable development.

In the future, development policies will be directed at encouraging economic development that is efficient and fair in distributing resources. In addition, efforts to maintain natural ecosystems and efforts to reduce dependence on materials that are detrimental to nature need to be continuously increased so that improvements in the national economy remain sustainable and sustainable. This is implemented through the Government of Indonesia's policy of achieving sustainable development which is carried out through a 4 (four) track strategy, namely development that is pro-growth, pro-job, pro-poor and pro-environment. This shows that the pillars of sustainable development receive equal and synergistic attention with other development strategies.



In short, green economic development no longer relies on economic development based on exploitation of natural resources and the environment, but on knowledge, technology and wisdom. This knowledge, technology and wisdom form the basis for responding to the dependence between the economy and ecosystems in maintaining economic growth and environmental sustainability.

As a form of seriousness in implementing green economic development, the Government of the Republic of Indonesia is currently able to build a complete and integrated supply chain system from upstream to downstream in the electric vehicle (electronic vehicle) industry. Indonesia has stated that it is ready to enter the era of electric cars.

The issuance of Presidential Regulation Number 55 of 2019 concerning the Battery Electric Vehicle (BEV) Acceleration Program for Road Transportation strengthens this assessment. The Minister of Industry also stated that the roadmap for the development of the Battery-Based Electric Motorized Vehicle (KBLBB) industry had been stipulated through the Minister of Industry Regulation Number 27 of 2020 concerning Technical Specifications, EV Roadmap, and Domestic Local Electricity Calculations. Content Level (TKDN) (Ministry of Industry, 2021). Thus it is time for Indonesia to truly implement green economic development.

## **CONCLUSION**

As a form of seriousness in implementing green economic development, the Government of the Republic of Indonesia is currently able to build a supply chain system that is complete and integrated from upstream to downstream in the electronic vehicle industry in the Integrated Area, Batang, Central Java. Indonesia has stated that it is ready to enter the era of electric cars.

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A green economy is a model that promotes growth, income creation and employment that seeks to change the interaction between economic progress and environmental sustainability especially when wealth is measured by considering natural assets and not just productivity. The green economy contributes

substantially to reducing social inequality between countries and alleviating poverty in the world.

From the results of the articles that have been carried out, it can be concluded that the implementation of a green economy can achieve technological changes that enable the implementation of sustainable environmental strategies by utilizing natural resources and waste from its activities can be put back into the production process thereby reducing the causes of pollution. To achieve this goal, alternative green economy policies must be implemented which are developed through the allocation of economic resources, stricter environmental regulations, creation of subsidies, to environmentally friendly activities and optimizing regional planning processes. There is a need to establish a new economic framework that allows it to be implemented without neglecting the fundamental premise of sustainable development.

The current implementation of economic development in Indonesia is still far from expectations. This is inseparable from the momentum of the policy of the Government of the Republic of Indonesia, which has just given a legal umbrella as a strong foundation for the use of energy and mineral resources, the government has just hit the "gong" to show a pro-green economy and sustainability attitude.

The Government of the Republic of Indonesia is not yet fully capable of presenting development in various sectors that are pro-green economy, but the presence of an integrated electric vehicle industry in Indonesia will at least be able to slowly solve the economic and environmental problems faced in Indonesia. It's never too late to catch up, because we have abundant natural resources and superior human resources. We still have a lot to learn from more advanced countries, such as the United States, Germany, the People's Republic of China, and South Korea.

This study certainly has quite a number of limitations in terms of data presentation and analysis, however, at least we get a general picture of the implementation of the green economy concept in Indonesia in the last decade. So that in the future this will provide opportunities for further studies on research on the theme of green economy both empirically and in literature studies. In particular, one can even examine the implications of the giant Indonesian electric vehicle industry for changes in the environment and social environment.

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